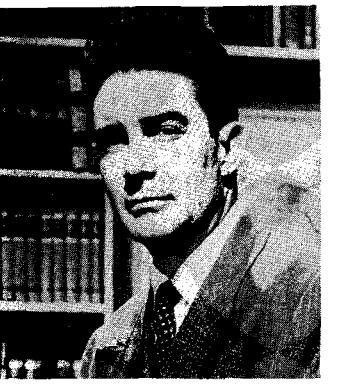
THE
Dan Smoot Report

Vol. 12, No. 10 (Broadcast 550) March 7, 1966 Dallas, Texas



DAN SMOOT

THE POVERTY SWINDLE

Just before his death, Lucius Beebe wrote a column entitled "Most Massive Swindle of All," saying:

"Accustomed as the American people are from long experience to fraud, deceit and pillage at the hands of their Federal government, there has never been anything to approach the latest swindle in sheer magnitude . . . .

"I refer, of course, to the most collectively crooked and preposterous program ever evoked in modern times, the so-called poverty war which will drain $20 billion of your money and mine down a bottomless rat hole of waste, graft and incompetence to further the cash on the barrelhead purchase for itself of perpetuity in office by the Democratic party.

"Here for all to see is the ultimate expression of completely cynical governmental folly conceived as the most massive raid on the public pocket ever imagined, implemented on the basis of a falsehood so gigantic and a myth so transparent as to mark its author, the President of the United States, as the most brazen boodler and opportunist in the long record of unabashed knavery in Washington . . . .

"Long skilled in absolute mendacity, the administration dreamed up out of the whole cloth the myth and fantasy of national poverty in which subsidized 'authorities on poverty,' with all the elastic statistics available to certified lying, variously estimated the degree of 'poverty' according to the India rubber yardsticks of individual caprice . . . ."[1]

Mr. Beebe used strong language, but not too strong.

He charged that national poverty is an administration falsehood; and it is. According to Department of Labor statistics, we now have 4% unemployment. Government unemployment statistics are padded, because they include unemployables, dependents who occasionally do part-time work and were between jobs when the statistics were compiled, seasonal workers idle between seasons, transients who quit jobs to spend what they have accumulated, workers idled by strikes. Even

THE DAN SMOOT REPORT is published weekly by The Dan Smoot Report, Inc., Box 9538, Dallas, Texas 75214 (office at 6441 Gaston Ave.). Subscriptions: $18.00 for 2 years; $10.00, 1 year; $6.00, 6 months; first class, $12.50 a year; airmail, $14.50. Dan Smoot was born in Missouri, reared in Texas. With BA and MA degrees from SMU (1938 and 1940), he joined the Harvard faculty (1941) as a Teaching Fellow, doing graduate work in American civilization. From 1942 to 1951, he was an FBI agent; from 1951 to 1955, a commentator on national radio and television. In 1955, he started his present independent, free-enterprise business: publishing this REPORT and abbreviating it each week for radio and TV broadcasts available for commercial sponsorship by business firms.

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if taken at face value, however, the government statistics prove there is no unemployment crisis. In fact, many economists say that the present percentage of employment (96% of the total civilian labor force) represents over-employment and invites wage inflation, because employers must outbid each other to hire workers who are in short supply.

Yet, government agencies, waging Johnson's unconstitutional poverty war, spend tax money on makework projects—hiring people to do nothing or to do useless work, paying them higher wages than many useful workers make on real jobs, padding their payrolls with high-salaried administrators whose chief qualification is loyalty to the political party in power.

Spoils of Politics

The poverty war is a bonanza for politicians and poverty bureaucrats. Taxpayers' money buys a permanent voting bloc for politicians, permanent jobs for political appointees who deliver the handouts. Note one case to illustrate the point.

About five o'clock one Friday afternoon, Howard Heinz, mayor of Carlinville, Illinois, received word that Carlinville was scheduled to participate in the federal poverty program's Neighborhood Youth Corps. The youth corpsmen had to be recruited and ready to start work by the following Monday morning.[2]

Mayor Heinz was pleased. "It was a purely federal expenditure going down the hatch anyway, so I took it," he later said; but he was worried about the job of recruiting enough young people to form a Youth Corps before the Monday deadline.[2]

Word was passed to Democrat Party leaders in Carlinville. Walter Vesper, ward leader, and several other trusted Democrats, started recruiting prospects by telephone. Five party precinct leaders met at City Hall on Sunday to spur the recruiting drive. By Monday afternoon, 40 local youths had been signed up for the Carlinville Neighborhood Youth Corps.[2]

The number soon grew to 269. For a 32-hour work week, each corpsman is given $173.33 a month—which is $11.00 a month more than a U. S. soldier, grade E-1, gets for fighting full time in Vietnam.[2,3]

Controversy developed in Carlinville when John Dunn, Democrat leader of the third ward, tried to fire a youth corpsman whose parents were suspected of being Republicans. Some local citizens grew skeptical about the Youth Corps as a means of giving federal tax assistance to impoverished youngsters when they noted that one girl drove a sporty red convertible (a gift from her grandfather) to her corps job. Other citizens complained of favoritism and corruption. An Office of Economic Opportunity investigator found that 83 of the 269 workers in the Carlinville Youth Corps were ineligible and had to be dismissed.[2]

Robert Albertine (who holds a political appointment at the Statehouse in Springfield, Illinois) was one of the Democrat party leaders who had rushed into the breach that hectic weekend when enough Carlinville youngsters had to be recruited to start the Neighborhood Youth Corps program. One of the youths signed up was Mr. Albertine's 17-year-old stepson. There was local criticism about the hiring of this boy as a poverty-stricken youth who needed federal help. Mr. Albertine was bitter about the criticism. He said:

"He comes from a broken home, don't he? Believe me, that kid came home from work with blisters on his hands. Anyway, to the victors goes the spoils, you know what I mean? . . . There was only one mistake in the whole business. That was when Washington paid attention to a bunch of gripers."[2]

Cross Culture at Charleston

In June, 1965, the Office of Economic Opportunity opened a Job Corps Training Center for Women at Charleston, West Virginia, under a $3,650,500 contract with Packard Bell Electronics Corporation. The Center houses about 300 white and negro girls in a downtown Charleston hotel. The allotment for training each girl is $12,168.33, which is more than the normal cost of putting a

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girl through four years of college. Linda Hicks, negress employed as adviser to the girls, says:

"There's no racial trouble here. It's the kind of cross culture living that no other Americans get."[4]

Cross culture living and an abundant supply of tax money have not, however, prevented problems.

Girls at the Charleston center have been accused of lesbianism and violence. One girl trainee recently slashed another across the chest with a razor. Four girls have been arrested for being drunk and disorderly, two for shoplifting, two for prostitution. The attorney for the two trainees arrested for prostitution said:

"There have been indiscreet actions taken by a number of enrollees, although it was not possible to nail down an organized 'ring' of prostitution as the arresting officers had charged."[4]

Calvin R. Hobart, director of the Charleston center, says the OEO in Washington seldom lets him expel a girl for repeated misconduct.[4]

Racketeering at Breckenridge

At peak enrollment (in August, 1965), the Camp Breckenridge Job Corps Center for men (near Morganfield, Kentucky) had about 650 trainees—400 negroes, 250 whites. On August 20, 500 of the trainees rioted. Charles Preston (director of public relations at the camp) said a gang of negro trainees started the trouble near the entrance to the camp cafeteria. Robert Rudd (camp instructor) gave an eye-witness account of what happened:

"They all grabbed two-by-fours and marched from the cafeteria. They broke into the security building, shattered a lot of windows and pushed a few staff members . . . .

"The kids began to break up after staff members reasoned with them. But once the kids were outside, the rioting broke out again. They jumped on a fireman and started throwing two-by-fours again."[5]

Camp officials, local firemen, federal marshals, FBI agents, and State troopers quelled the riot.[5]

Seymour Bryson (student security director at the camp) said:

"We have some youthful gangs here and a certain protection racket has been in operation for about two weeks. The trouble probably stems from this."[5]

Within two days after the riot, about 250 trainees had left Camp Breckenridge. Many told stories about organized gangsterism in the camp, saying they had been threatened with death by other corpsmen. They said ringleaders of the riot had been in trouble many times before, but had always been excused by camp officials. Seven of the trouble-making trainees had been arrested in Owensboro, but charges against them had been dismissed at the request of camp officials. One boy told the press that idleness was the main cause of trouble—some trainees sit around the camp doing nothing, because there is nothing for them to do.[5]

Showcase at Gary

There are approximately 17,500 job corpsmen registered in training camps throughout the nation. It costs about $4500 to train each one for nine months. This is more than the per-student cost of education at the most expensive private colleges. All job corps camps except one are operated by big business firms, such as International Telephone and Telegraph Corporation, IBM, Xerox, Litton Industries, Packard Bell Electronics. The one exception is the Camp Gary Job Corps Training Center for men, operated by the Texas Educational Foundation, a non-profit corporation organized by Texas Governor John Connally.[6]

Camp Gary was opened at San Marcos, Texas, in March, 1965.[6]

On July 18, five Chicago negro trainees at Camp Gary were jailed in San Antonio for an alleged armed-robbery attempt in which two U.S. airmen were shot, one of whom was blinded. On July 22, three of the arrested corpsmen were released to the custody of Camp Gary officials; two were held in jail on assault-to-murder charges. Dr. Oscar J. Baker, camp director, said the Office

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of Economic Opportunity is bound by contract to spend $500.00 on legal defense of any job corpsman charged with a felony, $300.00 on defense of any charged with a misdemeanor. Later — to allay public criticism — the Office of Economic Opportunity announced that a job corpsman charged with a major offense or with habitual minor offenses can be required to pay as much as 30 percent of all attorney's fees for his own defense. He will pay the fees out of fifty-dallar-a-month "adjustment allowance" which is given to him when he leaves the job corps program.[6]

By October 1, 1965, 130 Camp Gary trainees had been arrested for various alleged violations of law. Charges against 33 had been dropped. On November 8, President Johnson visited the camp. He expressed satisfaction with what he saw, and asked the trainees not to let him down. On November 26, negro trainees from Camp Gary had a fight with a negro gang outside a tavern in Austin. One of the job corpsmen was stabbed to death.[6]

By February, 1966, Camp Gary had 2500 students, 1100 staff members. Fifteen trainees had found jobs, 49 had been drafted, more than 100 had volunteered for military service. Camp officials expected a maximum enrollment of 3000 by June, 1966. By then, the camp will have spent more than 13 million tax dollars.[6]

Salaries of 12 top officials at the camp total nearly $158,000 a year. Teachers' salaries average $825 per month — about 50 percent higher than the average for Texas public schools. About 82 percent of the teachers have college degrees, though few have certificates of eligibilty to teach in Texas schools. Yet, Governor Connally says he expects many of the teachers, when they leave Camp Gary, to enter "the public schools with fresh knowledge on the needs in vocational education."[6]

Governor Connally calls Camp Gary a "smashing success." *The Dallas Morning News* says there "seems to be general agreement that Gary is the 'showcase' of all the Job Corps training centers in the United States."[6]

The Sinister Side

In Contra Costa County, California, officials of two school districts plan to use federal poverty funds to take grade-school children on junkets to Washington, D. C., and Mexico.[7]

Individual incidents like this and others reported herein, may, perhaps, be more pathetic, ridiculous, or disgusting than sinister. The poverty war has its sinister side, however. We will report on that side next week.

FOOTNOTES

(1) "Most Massive Swindle of All," by Lucius Beebe, *Chronicle Sunday Punch*, January 9, 1966, p. 3

(2) "Political Imprint on Youth Corps," by Jerry Landauer, *The Wall Street Journal*, reprinted in *Human Events*, October 30, 1965, p. 8

(3) "G.I. vs. Drop-Out," by U.S. Rep. John Dowdy, *Human Events*, October 30, 1965, p. 15

(4) "President Points to Tasks at Home," by Mike Quinn, *The Dallas Morning News*, May 10, 1965, Sec. 1, p. 6; "Troubles Beset Job Corps Center," by Nan Robertson, *The New York Times*, January 10, 1966, pp. 27, 38

(5) "Jobs Corps Youth Riot In Kentucky," UPI dispatch from Morganfield, Kentucky, *The New York Times*, August 21, 1965, p. 10; "Hundreds Stage Riot At Job Corps Center," UPI dispatch from Morganfield, *The Dallas Morning News*, August 21, 1965, p. 1A; UPI from Morganfield, *The Dallas Times Herald*, August 22, 1965, p. 30A

(6) "Camp Gary Spokesman Defends High Pay Rate," by Carolyn Patrick, *The Dallas Morning News*, April 22, 1965, Sec. 1, p. 21; "Job Corps Camp Gets $2,000,000 From U.S.," *The Dallas Morning News*, July 15, 1965, p. 4A; "3 Job Corpsmen Released in Shooting," AP dispatch from San Antonio, *The Dallas Morning News*, July 23, 1965, p. 19A; "Camp Gary Riot Story Called False," by Carolyn Patrick, *The Dallas Morning News*, August 7, 1965, p. 4A; "Camp Gary, Pro and Con," by Carolyn Patrick, *The Dallas Morning News*, October 2, 1965, p. 8A; Austin Bureau of the News Story, *The Dallas Morning News*, November 9, 1965, p. 7A; AP dispatch from Austin, *The Dallas Morning News*, November 28, 1965, p. 18A; "Trainees Now Must Pay Part of Attorney's Fees," by Carolyn Patrick, *The Dallas Morning News*, February 4, 1966; "Connally Suggests Use of Job Corps," *The Dallas Morning News*, February 6, 1966; "Camp Gary: Educators Learn Some Lessons," by Richard M. Morehead, *The Dallas Morning News*, February 6, 1966, p. 22A

(7) "A Poor Use For Poverty Funds," editorial, *Berkeley Daily Gazette*, February 10, 1965

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